



L'École des sciences de la gestion

Understanding Cultural Differences

There is Nothing Good or Bad About Culture. There are Only Differences ...



ESG UQÀM

Trompenaars cultural dimensions

Dr. Trompenaars and Hampden-Turner (1997) classified cultures along a mix of behavioral and value patterns.

- The Trompenaars' dimensions reflect the value-orientation concept proposed by Kluckhohn and Strodtbeck.
- 10 years of active worldwide research
- Questionnaires to over 46 000 managers in 40 different countries.



Interesting Findings:

- Some of these value orientations can be regarded as nearly identical to Hofstede's dimensions.
- Others offer a somewhat different perspective.
- The cross-cultural manager has to face universal dilemmas, but the way they are resolved is culturally determined.
- The model should be used as a general guide





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Soft Skills!!!





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Cultural Dimensions



Universalism
vs.
Particularism



Individualism
vs.
Communitarianism



Specific
vs.
Diffuse



Neutral
vs.
Affective



Achievement
vs.
Ascription



Past
vs.
Future



Internal
vs.
External

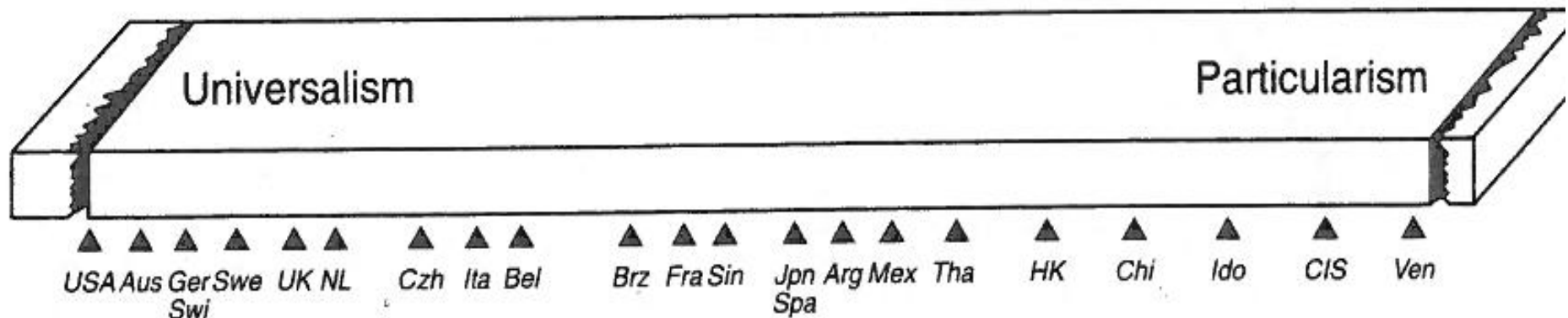


Universalism vs Particularism

Universalism: focus on rules, objectivity, one right way, a deal is a deal, the role of contract is important

Particularism: focus on relationships, circumstances are always unique, duty to friends, contract is less important than the context

They will always help their friend vs they would not even help a friend!



Legend; CIS: Russia, AUS: Austria, NL: Netherlands

Source: Adapted from Trompenaar, 1993

What is more important, rules or relationships?

UNIVERSALISM

- Seek fairness by treating all like cases the same way
- Focus more **on rules** than relationships
- Business loyalty is based on general rules, standards
- Detail written **legal contracts** are very important
- Signed contracts are **irrevocable** stipulations of commitments

PARTICULARISM

- Seek fairness by treating all cases on their special merits
- Focus more **on relationships** than on rules
- Business loyalty is based on personal relationship
- Written contracts are less important; **mutual trust in** more important
- Signed contracts are not always kept, particularly if the conditions of the **environment change**

Note: Companies from universalistic cultures negotiating with a potential joint-venture partner in China must recognize that relationships matter and take time to develop. They form the basis of the trust that is necessary in order to do business. In a particularistic culture, contracts are only a rough guideline or approximation.

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Universalism			Particularism		
←					→
United States	United Kingdom	Czech Rep.	Nigeria	Mexico	South Korea
Differences					
	Focus on rules	Focus on relationships			
	Contracts difficult to break	Contracts easy to modify			
	Trustworthy people honor their word	Trustworthy people adapt to each other's needs based on trust			
	Belief is in only one reality	Reality is relative to each person's situation			
	"Deals" are obligations	"Deals" are flexible based on the situation and the person			
Managerial Implications					
	Use procedures applied to all	Use informal networks to create understanding			
	Formalize business practices	Make changes subtly and privately			
	Treat all cases similarly	Treat each case based on its unique circumstances			
	Announce changes publicly	Keep only insiders informed			

Sources: Adapted from Economides, A. A. 2008. "Culture-aware collaborative learning." *Multicultural and Technology Journal*, 2(4): 243-267; Trompenaars, Fons, and Charles, Hampden-Turner. 1998. *Riding the Waves of Culture: Understanding Cultural Diversity in Global Business*. New York: McGraw-Hill.

The Pedestrian

You are riding in a car driven by a close friend. He hits a pedestrian. You know he was going at least 45 mph in an area of the city where the maximum allowed speed is 20 mph. There are no witnesses. His lawyer says that if you testify under oath that he was only driving 20 mph it may save him from serious consequences.

What would you do???

From 6:23 min. until 10:00

<http://tedx.amsterdam/2013/11/fons-trompenaars-about-peaches-and-coconuts/>





What right has your friend to expect:

- A My friend has a definite right as a friend to expect me to testify to the lower figure.
- B My friend has some right as a friend to expect me to testify to the lower figure.
- C My friend has no right as a friend to expect me to testify to the lower figure.





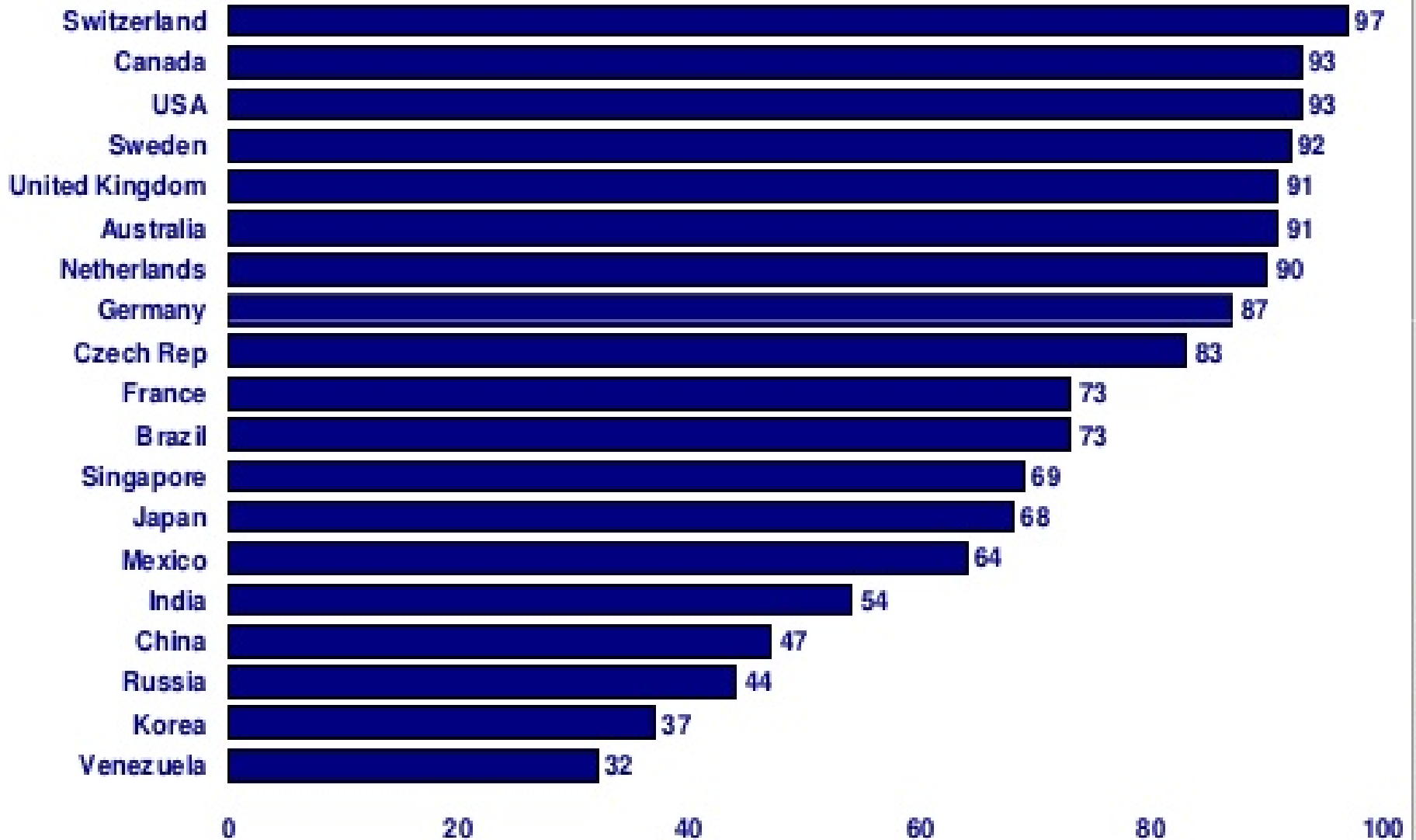
The Pedestrian

What do you think you would do in view of the obligations of a sworn witness and the obligation to your friend?

- D Testify that he was going 20 mph
- E Not testify that he was going 20 mph



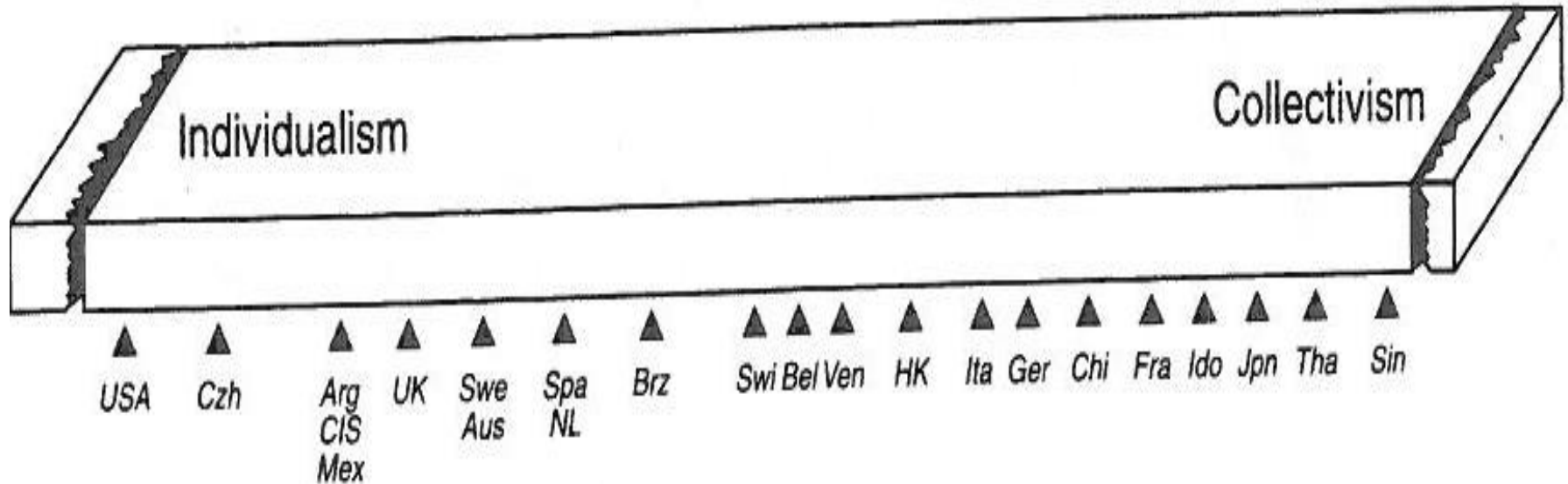
Friend has no/some right and would not help



Individualism vs Collectivism

Individualism: people achieve alone, assume personal responsibility, decision will be taken by someone

Collectivism: people achieve in groups, which assume joint responsibility, decision will be taken by the group



Do we function in a group or as individuals?

INDIVIDUALISM

- More frequent use of “I”
- Decisions made on the spot by representatives
- **Quicker** decision-making
- Assume **personal** responsibility
- The **individual** is compensated for high performance
- Job **turnover** and mobility **high**
- Vacations in pairs

COMMUNITARISM

- More frequent use of “We”
- Decisions referred back to organisation
- **Slow** decision-making process
- Assume **joint** responsibility
- The **group** is compensated for high performance
- Job **turnover** and mobility **low**
- Vacations in groups of extended family

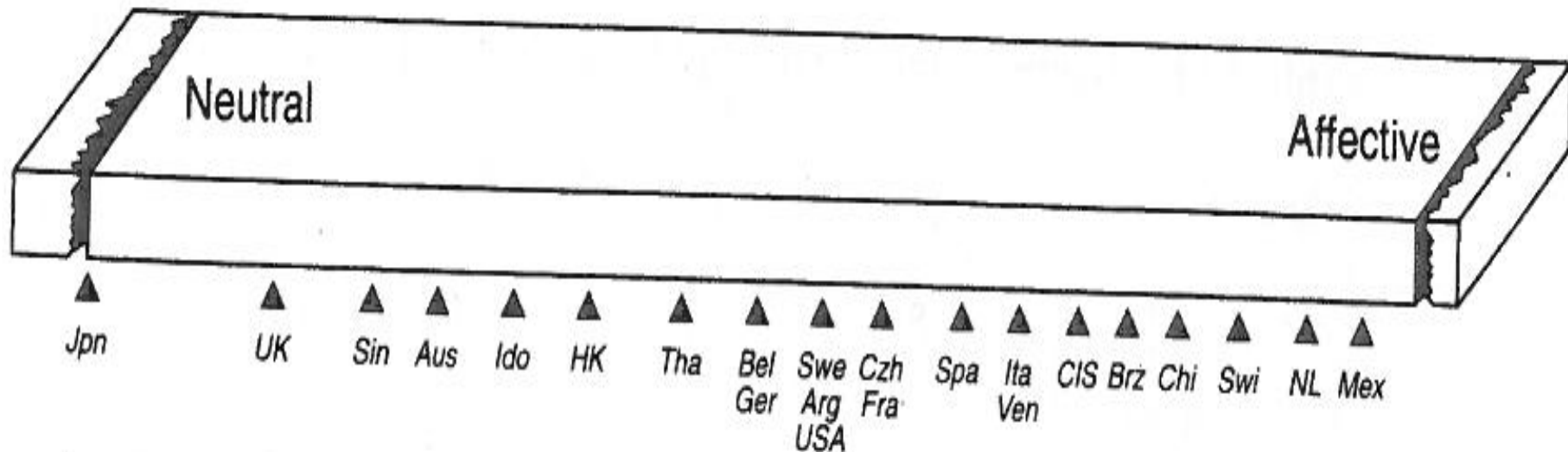
Note: Often individualism is seen as typical of modern society, whereas communication is associated with traditional societies. However, for every rule there is an exception as evident by some modern societies such as Japan, which has a strong communication orientation.

Neutral vs Affective

Neutral: subtle communication, hard to read (poker face), no emotion, discomfort with physical contact

Emotional: expressive and vocal, strong body language, ease with physical contact

The Japan silence vs the Italian opera!



Do we display our emotions?

NEUTRAL

- Do **not reveal** what they are thinking or feeling
- Cool and well-controlled conduct is admired
- Statements are **monotonic** and lack an emotional ton
- The entire **negotiation** is typically focused on the **object**
- Behaviour during negotiations tends to be detached and cool

AFFECTIVE

- **Reveal** thoughts and feelings verbally and in face
- Heated, vital and animated expressions are admired
- Statements are **emotional** and dramatic
- **Negotiation** is typically focused on the **persons** involved
- Behaviour is warm, expressive

Note: Multinational teams consisting of individuals from highly neutral and highly affective cultures need careful management and considerable inter-cultural understanding.

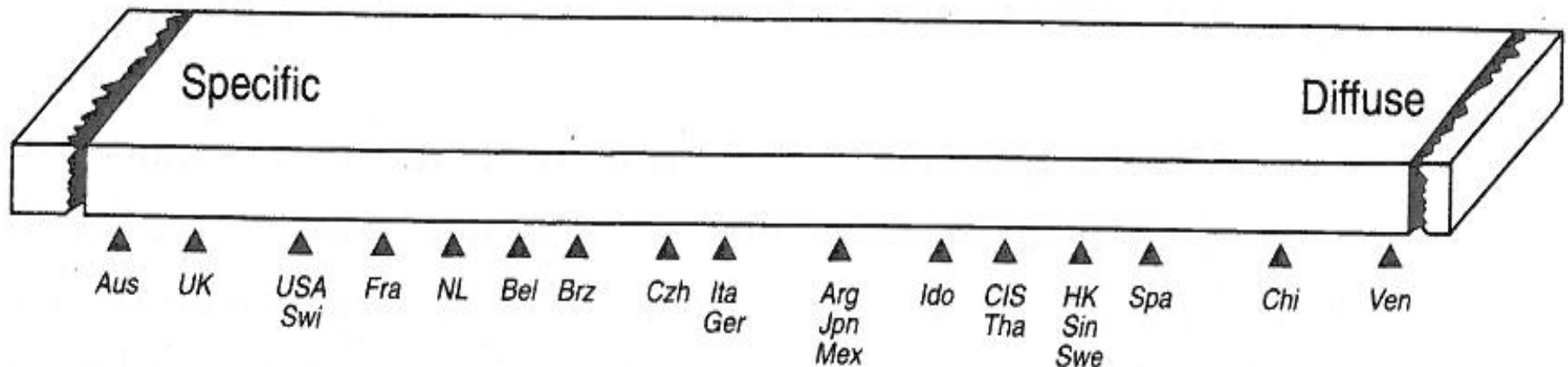
Otherwise, the affective persons will view the neutral persons as ice-cold, and the affective persons will be viewed as out of control by the neutrals.

Specific vs Diffuse

Specific: work apart from the rest of life, highly mobile,

Diffuse relationships: time consuming, everything is connected, building relationship, low mobility, work and private life are closely linked

Building relationships is as important, than the deal



How separate we keep our private and working lives?

SPECIFIC

- Private and business agendas are **kept separate**
- **Low** communication context
- Structure meetings with time slots
- Study the **objectives**
- **Direct** to the point
- Do not use titles

DIFFUSE

- Private and business issues **interpenetrate**
- **High** communication context
- Let the meeting flow
- Study the **history**
- **Indirect**, circuitous
- Respect a person's title, age, background, connections

Note: Managers from specific cultures such as Denmark are much more prone to criticize subordinates directly and openly without regarding their criticism as a personal matter.

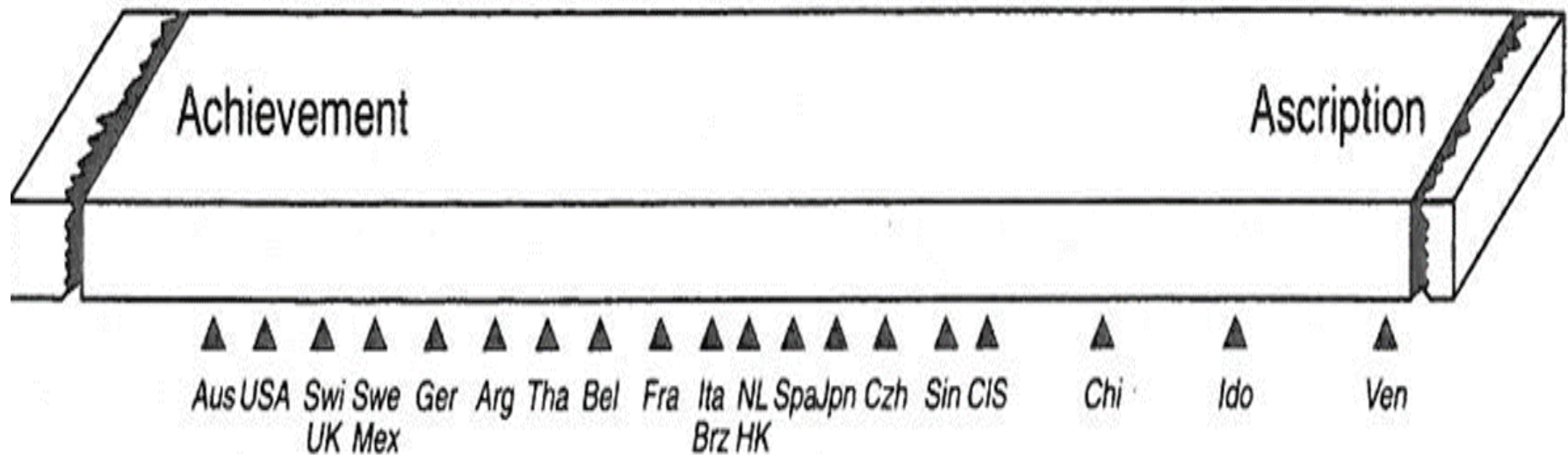
In the context of a subsidiary in a diffuse culture such as a personal matter: in Russia, this may constitute an unacceptable loss of face.



Achievement vs Ascription

Achievement: through competition, status what someone does , achieves

Ascription: birthright, status what someone is, based on position, age, schooling



Do we have to prove ourselves to receive status or is it given to us?

ACHIEVEMENT

- Respect for superior in hierarchy depends on his / hers **knowledge** and skills
- Titles are used to reflect the **competence of a person**
- Decisions are challenged by **anybody** on technical and functional grounds
- In negotiations technical advisers and **knowledgeable people** are used for convincing

ASCRPTION

- Respect for superior in **hierarchy** depends upon the employees commitment to the organisation
- Titles are used to reflect the **influence of a person** or his / her organisation
- Decisions are only challenged by **people with higher authority**
- In negotiations older and **hierarchically senior people** are used for convincing

Note: Sending a young manager to run a subsidiary in a traditional culture such as India will involve difficulty. Likewise, promoting younger people within the subsidiary based on their performance.

2.16



Differences

Use title only when relevant	Use of titles common and expected
Superiors earn respect through job performance	Respect for superior shows commitment to organization
Mixture of age and gender in management	Background and age main qualification for management

Managerial Implications

Emphasize rewards and respect based on skills and accomplishments	Emphasize seniority
Senior-level managers defer to technical and functional specialists	Use personal power of superior for rewards
	Emphasize the chain of command

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Time Orientation



China, Britain, Japan and most spanish-speaking Latin American countries

- ✓ talk about history, origin of family
- ✓ Traditional values
- ✓ respect shown for ancestors, older people
- ✓ Conservative management



the rest of the spanish-speaking Latin American countries and many African countries.

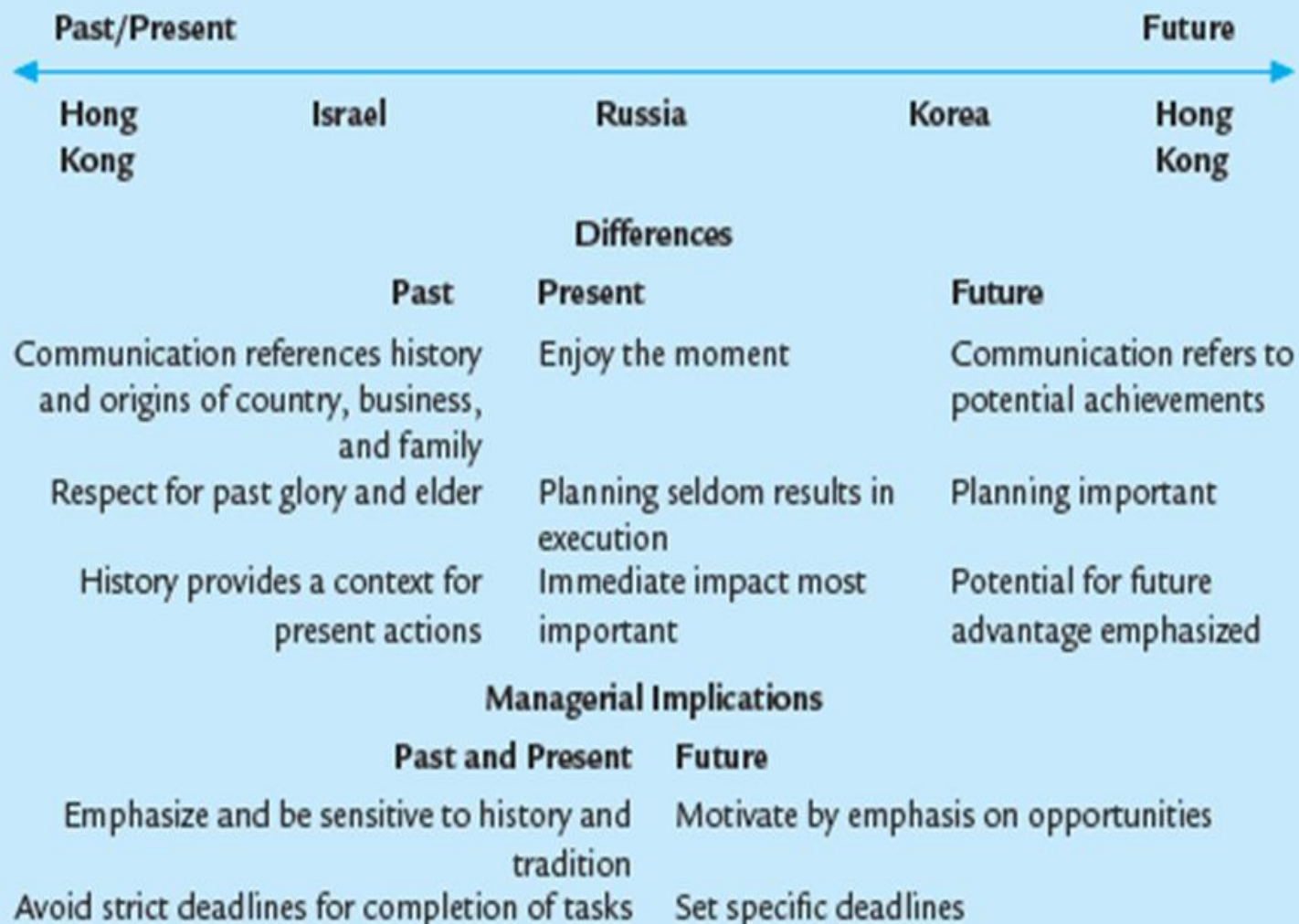
- ✓ the past as passed and the future as uncertain
- ✓ Here and now
- ✓ short-term benefits
- ✓ immediate results.
- ✓ Let the things flow



The United States and, increasingly, Brazil, Germany

- ✓ optimism about future
- ✓ planning and strategizing done enthusiastically
- ✓ more abstract, more imaginative, more creative
- ✓ the fresh to the old

2.17



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Do we do things one at a time or several things at once?

SEQUENTIAL

- time as a series of passing events.
- the **completion of each stage.**
- hate to be thrown off their schedule or agenda
- **rude to be** few minutes **late**

SYNCHRONIC

- ideas about the *future* and memories of the *past* shape present action.
- **interchangeable** stepping-stones
- showing how they value people by giving them time
- **less insistent** upon **punctuality**

Note:

If a culture is oriented towards the past, the future is often seen as a repetition of past experiences.

In a culture leans more towards the present, day-by-day experiences tend to direct people's lives.

In a future-oriented culture, most human activities are directed toward future prospects. In this case, the past is not considered to be vitally significant for the future.

Do we control our environment or are we controlled by it?

INTERNALISTIC

- Often dominating attitude and tendency to aggressiveness
- Playing “tough” is legitimate
- Focus is on self, own group and own organisation
- Discomfort when environment seems “out of control” or changeable
- It is most important to win the objective

EXTERNALISTIC

- Often flexible attitude, willing to compromise and keep the peace.
- Softness, persistence, politeness
- Focus is on “other”, that is customer, partner, colleague
- Comfort with waves, shifts and cycles
- It is most important to maintain the relationship

Note: The internal versus external control dimension concerns the value people put to their environment. People who have an internal mechanistic view of nature usually view themselves as the point of departure for determining the right action. Opposites of this are cultures with a so called “organic” view of nature (Assumes that man is controlled by nature) align their actions towards others. They focus on the environment rather than on themselves.



Philippe d'Iribarne- an Ethnographic Approach

Dr. Philippe d'Iribarne (1937 -) studied in the French Ecole Polytechnique then IEP then Ecole des Mines

- Comparative analysis of three cases: Holland / France / US
- Meets the same conditions as Hofstede.
- Control variables other than cultural (same production type, model management, training required for employees , ...)



Interesting Findings:

There is important differences in how to manage despite a common management mode

Three patterns - different logics (1989) :

- French logics: honour – Individual workers are faced with themselves
- US logics: contract – Workers are supposed to perform fair exchanges
- Holland logics: consensus – Blocks made out of workers have to co-operate



French Logics: Honour

- A distinctive separation exists between the management and the lower levels of employees, each with its particular rights and duties.
- French firms are structured according to a hierarchically organized social system in which the “patron” makes decisions independently and is solely responsible at a strategical level.
- The style of leadership is therefore strict, but also very personal.
- Status thinking and an authority hierarchy determine the relations of the employees amongst each other
- The duties are most important than the tasks
- Flexible, informal adjustments
- We did more than his duty in favor of those with whom we have good personal relationships
- The employee does not like his superior interferes too much in his work. Seen as a lack of confidence.
- The respect of rights and duties is imperative- honor



US Logics: Contract

- Based on free and fair
- Managers and employees respect the rules of contract
- Respect for the hierarchy
- Clear tasks and objectives
- Assessment based on quantified targets
- Low hierarchy
- Egalitarianism born of history: country's foundation based on moral principles; inspiration of the first immigrants



Holland logics: Consensus

- This model is radically different from the other 2
- The company's operation is based on the consensus-cooperation
- The manager has no special status. Spends his time dialogue with others to obtain their consent when he has a decision to make.
- The consensus is a desirable objective all the time
- Managers – ability to conciliate,
- Consultative procedures- very long decision making process



As a Global Manager; Pay Attention to

- **Stereotyping:** assumes that all people within one culture behave, believe, feel, and act the same.
- **Ethnocentrism:** occurs when people from one culture believe that theirs are the only correct norms, values, and beliefs.
- **Cultural relativism:** all cultures, no matter how different, are correct and moral for the people of those cultures.
- **Cultural Intelligence:** ability to interact effectively in multiple cultures



Case Study

- DISNEYLAND CASE ANALYSIS